

Realty Stock Review

March 8, 1985 (Priced March 6)

VOL. XVI, No. 5

MARKET STRATEGY: REITS ARE SUDDENLY HOT, SO WHERE ARE THE BARGAINS? AN ANSWER

Quite suddenly, new REIT offerings are flooding into the market and investment bankers say the public has turned receptive. This week **EQK Realty Investors I** raised \$180 mil. by selling 10.04 mil. shs. at \$18.30 to \$17.27/sh. (volume buyers got discounts).

Success of this long delayed offer seemed to set a good tone, and five other major new REITs are now in registration, including ones sponsored by major realty broker Grubb & Ellis (see p. 5), insurance giant Travelers Corp., and Ranier Bancorporation of Seattle.

The latter three seek to raise \$125-\$150 mil. total mainly for participating mortgage and land purchase lease-back financing of properties. And there hangs the tale. Normal mortgage sources aren't able to handle all the realty projects coming on stream, and curtailment of some syndicator financing is being felt. Also, the Treasury's rules last fall requiring registration of tax shelters with over 2-to-1 tax benefits have dried up a certain segment of that market (fewer persons want to buy into a potential tax audit).

This has enormous positive implications for the realty service companies,

mortgage banking, and diversified companies moving into financial services. Two recent acquisitions set the tone. In Feb. Travelers Corp. agreed to buy **Brokers Mortgage Service** for stock valued at 5.5% of BMS' \$586 mil. mortgage servicing portfolio. Then American Can agreed to pay \$24 cash, or about \$125 mil. for Berg Enterprises, which equates to 7.8% of its \$1.6 bil. servicing. Obviously both companies had other assets, and both are fast growing, but these prices are far higher than 1.5%-2.0% range at which most mortgage bankers change hands customarily.

So we see bargains in mortgage bankers: **Lomas & Nettleton Financial**, the obvious choice; **Countrywide Credit Indust.**, smaller but growing; **Loan America Financial**, unseasoned and close-mouthed since its Dec. spinoff. Inside we review **Security Capital**, which services \$2 bil. mortgages and has a lot more going for it. **Fanny May**, despite the immense portfolio, is leveraged so highly that we don't fancy it in this rate climate, which expects rates to go higher near-term. But other service companies can still benefit from consolidation of fragmented businesses: **Grubb & Ellis** seems to be growing in a controlled way and sponsorship of a new REIT can't hurt EPS; **Johnstown American** has funds available for acquisitions.

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NOW AVAILABLE: Our new brochure describing our money management services and two new separate accounts (TARESA Accounts - The Audit Real Estate Securities Accounts).

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RANKING REVIEWS: ROUSE CO., SECURITY CAPITAL, JOHNSTOWN AMER. AND FANNY MAY

We've reviewed Rankings of five companies and are holding all unchanged except to increase **American Realty**. Rankings normally are reviewed yearly when longer-term trends are clear; see p. 8.

Rouse Co. holds A Rank with continued strong performance in its shopping centers. ROUS' earnings before non-cash charges (gross cash flow) rose 15% to \$2.06/sh.; net cash flow after mortgage repayments was \$1.59, up 37%. EPS reported was 45¢, down 15%. The dividend was upped 17% to a \$1.08/sh. annual rate in Feb., and it likely will be taxable in 1985. ROUS also will split its stock 2-for-1, subject to shareholder okay May 23 and will begin dividend reinvestment.

Operations: Revenues rose 13% to \$199 mil. Earnings before non-cash charges rose 10.2% for retail centers, the biggest earner. When start-up costs are stripped out, centers rose 18% on a comparable unit basis. During the year ROUS opened Tabor Center, a mixed use project in Denver with 115,000 sq. ft., and National Center in Washington's refurbished National Theatre and Press Club building with 125,000 SF. Both got good reception. In Manhattan's South Street Seaport, a 1983 project, sales topped \$500/SF in its first full year and virtually all space is leased; a second phase of 125,000 SF on a new East River pier will open this summer. Earnings from this project have been penalized by high-rate construction loans which can't be repaid till the second phase opens. Retail of 160,000 SF will open in Aug. at St. Louis Union Station. Construction continues on four projects with 810,000 SF for 1986 opening, including Riverfront in New Orleans, Bayside in Miami, and two centers near Baltimore. ROUS operates 63 centers with over 38 mil. SF, of which 20.9M SF are owned by anchors; 4.7M SF wholly owned; 6.9M SF owned by partnerships with ROUS owning 50% or more; 2.4M SF in partnerships with ROUS share determined by future operations; and 3.1M SF managed for fee plus share of cash flow.

Financing and Current Value: ROUS sold its mortgage banking subsidiary in

Sept. for \$2.09/sh. net gains after tax deferrals. As result ROUS is very liquid now. Most debt is mortgages secured by properties. Current value of net assets is \$47.75/sh., up 19%, reflecting cash flow gains; capitalization rates remained constant. After some recent weakness, shs. firmed and are now long-term buys.

Security Capital Corp. keeps B Rank with a good earnings gain and continued liquidity. SCC earned \$1.66/sh. in its Sept. FY, up 25%; EPS have risen at 38% annually the past five years as this former REIT recovered strongly. No dividends are paid. SCC is emerging as a financial services company with ownership of a Houston S&L; real estate management for pension plans; and mortgage banking and brokerage. Ben Franklin Savings operates 18 branches in Houston, Dallas and Ft. Worth and has \$1.6 bil. assets; liabilities are match-funded with mortgage and other assets, to minimize interest risks. It had 3.1% positive interest spread in 1984, down from 4.2%, and contributed \$11 mil. to 1984 income. Foster Mortgage, a mortgage banker, services \$2 bil. mortgages and added \$1.8 mil. income. In 1984 SCC acquired Smith Barney Real Estate (re-named Security Capital Real Estate), which manages \$725 mil. properties for pension plans and partnerships. Fee income is rising and profitable. **Finances:** SCC's balance sheet consolidates its S&L sub so total liabilities of \$1.6 bil. are 25.7 times book equity, including \$1.36 bil. S&L deposit liabilities. All debt, excluding HLBB advances, of \$108 mil. is 1.7 times book equity. We adjust book equity by deducting \$120.7 mil. intangibles arising from the Ben Franklin to show \$9.35/sh. negative book value in our statistics; amortization of this goodwill adds to cash flow. While there's always risk in financial services, SCC has moved cautiously to reduce risk and maximize interest and fee income; we see '85 EPS about \$2/sh. and list shares as L-T buys.

Johnstown American Companies holds B Rank by increasing EPS and liquidity. Newly listed on the ASE, JAC netted 62¢ sh. in its Aug. year, up 7%. Revenues

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rose 77% but net expenses rose 109%, reflecting digestion of acquired companies and a 23¢ pretax charge for losses in marketable securities. JAC is the largest property manager with 105,000 apartments and condos; about half is managed for the Consolidated Capital Companies entities, generating 30% of revenues; construction supervision, security, administration and consulting, 16% of revenues; property brokerage, 23%; carpet sales and installation, 21%; and gains on sales of assets from the acquired Hamilton Investment Trust, 6%. Since acquiring Hamilton, JAC has acquired 14 companies, most on earn-outs with entrepreneurial management retained. One, Professional Community Management, has become the largest condo association manager with 65,000 DU. A mortgage banker with \$224 mil. servicing and a condo sales company were acquired. Finances: JAC ended its year with \$0.5 mil. debt, a low 0.02 times equity. In Feb. it sold \$35 mil. of 9.75% debentures convertible at \$11.63 to raise funds for acquisitions. In Oct. JAC created a Class B stock and exchanged them for shares of American Realty Enterprises, formerly its parent; as result Chrm. John Lie-Nielsen owns approx. 83% of voting power. Audit's investment banking affiliate, Campbell & Dillmeier, has advised both Hamilton and Johnstown in several transactions. Shs. listed as L-T buys for growth in consolidating a fragmented industry.

Federal National Mortgage Assn. or Fanny May holds C Rank although EPS have deteriorated. FNM is best analyzed on a quarterly basis and the stock swings volatily in tune with interest rate expectations, because of FNM's super-high leverage. Once a government agency, now-private FNM provides a secondary market for mortgages bought with borrowed funds. As result debt is an extraordinary 69 times \$16.91/sh. book value. Most of FNM's \$84.4 bil. loans are fixed rate with about 12 year average expected life, while debt is shorter-term (average maturity is 2 yrs., 7 mon.) and thus moves up and down with market rates. FNM is working to overcome this structural deficiency by increasing the percentage of adjustable

rate mortgages (ARMs), now up to 13%, and to lengthen debt maturities when conditions permit. In today's rate market, negative spread on debt-financed mortgages was 0.74% in the Dec. qtr., up from 0.69% in Sept. With rates rising, we'd expect further losses in 1985. FNM is broadening the types of mortgages it buys but reshaping takes time. Until then, shs. are short-term sell/holds.

American Realty Trust is raised to C Rank by virtue of cleaning up its balance sheet. ARB earned 20¢ in its Sept. FY, down 65%; Dec. qtr. net of \$1.82/sh. reflected sale of its Colonial Williamsburg Inn. A major downtown Atlanta land parcel is under sale contract for gross gain of \$4.30/sh., assuming the deal closes. ARB is controlled 66% by Southmark Corp., which may consider merging ARB with other realty companies. Shs. holds or speculative buys.

NEW RSR LISTING: SANTA FE SOUTHERN PACIFIC ADDED AS WESTERN LAND PLAY

We're adding **Santa Fe Southern Pacific** (NYSE - symbol SFX) to coverage as a major Western land play. Most railroads have major land holdings; we think SFX works aggressively to maximize those underlying land values. Starting with merger of the two major railroads in its name a year ago at the corporate level (functional and operating consolidation of the two railroads still requires ICC approval), SPX has looked to real estate for a major portion of earnings. For 1984, realty generated only 6% of revenues but an eye-popping 37% of operating income (vs. only 32% from rails). Management thinks realty earnings are stable at that level. The asset base and operating size dwarf the largest independents: the two roads own 50,000 acres suitable for industrial and commercial use; they have 3.6 mil. sq. ft. of industrial/office under lease, and have 1.1 mil. sq. ft. under construction currently. In downtown San Francisco SPX is sponsoring Mission Bay project on 208 surplus acres. It has major projects and/or holdings in Los Angeles, San Diego, Dallas and New Orleans. While shs. are a high 10 times EPS, we're listing a L-T land buys.

C-ABRAMS INDUSTRIES (ABRI-OTC). Gr. 8-Divers. Atlanta oper. in contracting/engineering (20% oper. profit); real estate devel., (32%); retail fixtures (32%); elec./fire protection (16%). owns 9 K mart centers, developing condos. Results: Jan. 9 mo. 30¢ EPS, down 14%; Jan. Q d13¢ on contracting losses. No advice at present.

L-ALA MOANA HAW PROP: (ALA-NYSE). Liquidating. Partnership spun off by Dillingham Corp. 7/81; Sulu last remaining major asset, Honolulu land, 11/84 and paid \$2.50/sh. 1/85; Owns few smaller props. Settled lawsuit. Shs. for stub values.

C-AMER CENTURY CP: (ACT-NYSE). Gr.7-Mtg. banker/-Fin. Former REIT, acquired 12-branch Commerce Savings of Houston-Dallas. Former Chrm. J.Roberts sold 537T shs. @ \$12.90/sh. to G.H. Stool, Dallas rly. developer, who took control w/ 32.5% stake; In same deal ACT repurchased 1.45M Roberts shs. & sold to Roberts an Aspen, Col. hotel & land project. Results: Dec. 6 mo. oper. EPS 23¢, off 87%; taxlosses added 12¢. Shs. less attractive absent buyout. (RSR 5/25 & 11/2/84).

C-AMER. CONTINENTAL (AMCC-OTC) Gr.8-Diver. Major homebuilder (3,260 deliveries '84: 56% Denver, 44% Phoenix); Winding down Denver in favor of larger scale land development, mtg. banking; Owns \$1 bil. First Lincoln Fincl. (26 branches, acquired 2/84) which generated 43% '84 net. Results: 1984 EPS 92¢ diluted, off 44%; Dec. Q 42¢, up 24% incl. mtg. servicing sale. Rate uncertainty hurts.

C-AMER. REALTY: (ARB-ASE). Gr.6-Income Prop. Bldr/Dev. Former REIT, largest assets \$7.8M plot downtown Atlanta and Williamsburg, VA hotel, both now under sale contract for approx. \$5.45/sh. gain; Owns St. Louis office. Southmark controls w/ 66% stake. Results: Sept. FY oper EPS 20¢, down 65%; Dec. Q \$1.82, incl. gain on Wmsburg. Hotel. Shs. spec. on further recovery.

C-ANGELES CORP: (ANG-ASE). Gr.9-Rlty. Serv/Synd. Los Angeles realty syndicator (mobile home parks, etc.) & money manager (of \$1.2B). Raised \$86M realty equity '84, up about 50%; syndications generate front-end fees, prop. mgmt. fees, & residuals. Acquired Quinoco oil/gas syndicator 8/84 & it agrees to acquire units of EMCOR ltd. part. via exchange. Results: Dec. Q EPS d20¢, v. \$1.77. Qtrly. EPS vary. Hold/avoid. (RSR 11/2/84).

B-BAY FINCL CORP: (BAY-NYSE). Gr.6-Income Prop. Bldr/Owner. Former REIT, selling props. to lighten debt while developing new office/indust. props. in Boston, Atlanta, Phoenix. Appraised value \$33.94/sh. 5/84, up 31%, & cld. reach \$45 by '87. Results: Nov. 6 mo. oper. EPS 60¢, down 69%. Paragon Assoc. owns 22.4% & joining board. Shs. L-T buy for gains (RSR 9/21/84).

C-BERG ENTERPRISES: (BRG-NYSE). Gr.7-Mtg. Banker/-Fin. Rapidly growing mtg. banker & syndicator: Sub. Margaretten & Co. services \$1.5B mtgs. & originates existing home & comcl. loans via 22 offices; Opening 13 offices in K mart stores; Amer. Can agrees to buy for \$24/sh. cash; completion expected June Q. Results: Dec. 6 mo. oper. EPS 83¢, up 1%. Shs. arbitrage on deal. (RSR 11/2/84).

D-BRITISH LAND AM: (BLA-NYSE). Gr.7-Mtg. Banker/-Fin. Former Growth Rlty., name changed to reflect control by British Land PLC (UK-35% owner, 75% diluted); sold most props. to focus on mtgs. & devel.; Renovating NYC loft bldg. into condos. Results: Dec. 6 mo. oper. EPS 27¢ diluted, up 23%. Shs. for recovery. (RSR 11/4/3).

C-BROKERS MTG SERV: (BMTG-OTC) Gr.7-Mtg.Banker/-Fin. Aggressive N.J. mtg. broker came public 3/84; originates home mtgs. & sells many for up-front cash but expanding servicing port.; Travelers Corp. agrees 2/85 to acquire public shs. for \$11.75 Travelers stk.; insider Markowitz family to get \$7.50 stk. Shareholder vote expected Apr. (RSR 4/27/84)

C-CARLSBERG CORP: (CRLS-OTC). Gr.8-Diver. Rlty Hldg. Blds. 1-fam. & comcl. props., sells land to bldrs. & consumers; mngs. 54 ltd. partnerships; big play on appreciated land in Roseville, Cal. N of Sacramento. Sold \$25M 9.38% debts. w/ stock & wts. 3/84 to finance growth, cut Carlsberg family stake to 65.5%. Appraised value \$17.83 5/84. Shs. undervalued L-T play. Results: Nov. 6 mo. oper. EPS 12¢ diluted, down 74%. (RSR 10/19/84)

C-CITIZENS GROWTH: (CITGS-OTC). Gr.8-Diver. Rlty/Hldg. Former REIT, managed by Eastover Corp. Assets mainly hotel/motel & shs. of other REITs: owns 7.3% of Eastgroup Props. Keeps buying own stock (50.9T shs. Oct. 9 mo. @ \$16.41/sh.); Results: Oct. 9 mo. oper. EPS 55¢, up 120%, + \$2.40 sale gains & taxlosses. Recovery & buyback play.

***-CONGRESS ST PROPS:** (CSTP-OTC) Gr.8-Diver. New company containing non-REIT assets from Eastover Corp. (Leland Speed-Brent Baird), formed via spinoff 12/84. Owns 31.7% of Parkway, 15.5% Cit. Growth, abt. 10% of Nat. Mtg. and Rockwood Natl. (which see herein); joined w/ others to buy 5% of Hotel Invest., a REIT. Results: Nov. Q oper. EPS 11¢, down 65%.

C-COUNTRYWIDE CRED: (CCR-ASE). Gr.7-Mtg. Banker/-Fin. Calif.-based mtg. banker stresses low-cost origination via 100 offices (Calif. 35%, Texas 20%) staffed by salaried employees; Sells most loans via mtg.-backed securities. Servicing near \$1.2B. Results: Nov. 9 mo. EPS 34¢, off 48%; Nov. Q 12¢, even. Shs. aggr. buy (RSR 7/13/84).

B-COUSINS PROPS: (COUS-OTC). Gr.8-Diver. Rlty/Hldg. Develops shop. ctrs. in Southeast via jt. ventures & develops offices in Atlanta. Significant off-balance sheet values in ventures, which own \$141M assets. Owns 50% of Omni Intl., Atlanta, & buying partner's 50%; Equitable Life acquired 11% owned Omni Intl., Miami 1/85. Results: Dec. FY EPS \$4.02, most from shop. ctr. sales. Bought 411T sh. @ \$17.88 from Southmark Corp. 1/85. Shs. L-T apprec. play (RSR 6/24/83).

E-DANAHER CP: (DHR-NYSE). Gr.8-Diver. Rlty/Hldg. Former REIT, holds mainly secondary home community land + mtgs.; Sold accruing loans 12/84 for \$7M. Equity Group Hldgs. (Rales brothers, Wash. DC) controls w/ 29% stake; Cut bank debt to \$10.7M 5/84. Acquired Mohawk Rubber and Master Shield Inc. for \$33M cash & stock (latter two cos. units of Equity Group) 9/84. Formerly was DMG Inc. Shs. spec on turnaround by new operations.

B-DISNEY (WALT): (DIS-NYSE). Gr.8-Diver. Major entertainment company (movies, theme parks, etc.) bought Arvida Corp. 6/84 in stock swap in deal giving Bass Bros., Ft. Worth 25%; Arvida seeks acceleration of realty development at Walt Disney World, Orlando on 10,000 vacant acres, plus projects in Fla., Ga. Land values immense if Arvida can unlock. Results: Dec. Q oper. EPS 95¢, up 265%, w/ Arvida about 32% of oper. income on large land sale. Buy on reactions. (RSR 1/25/85).

A-EQUITEC FINCL: (EGF-NYSE). Gr.9-Rlty. Serv/Synd. Major U.S. realty syndicator; Raised \$245M equity in Apr.'84 yr.; Acq. & sale fees major income source; Sold \$20M debts. convt. @ \$13.63 9/84; bought Siebel Capital Mgmt. 5/84 (\$1B managed). Bought Empire S&L (renamed Equitec Savings Bank) 12/84. Results: Jan. 9 mo. oper. EPS \$1.09, +33%. Shs. good mgmt. but group cloudy. (RSR 7/13/84)

C-FED NATL MTG: (FNM-NYSE). Gr.7-Mtg. Banker/Fin. Govt. sponsored, privately owned co. supplements mtg. money supply by buying/selling mtgs. (most FHA/VA but conventionals growing); Has revised fees, commitment system, products to boost income; Holds \$84.4B mtgs. 12/84 & had 0.74% negative interest spread in Dec. Q, v. -0.69% in June. ARM mtgs. (adjustable rate) now 13% of port. & growing. Debt 69 times equity & leverage brought losses (47¢ & 66¢) in Dec. & Sept. Qs. Spec on lower rates. (RSR 2/10/84).

B-FIRST CAROLINA INV: (FCARS-OTC). Gr.8-Diver. Rlty. Former REIT, now mainly N.C. developer/realty operator; Sold New Orleans hotel & Piedmont REIT shs. 1/84 for total \$2.04/sh. pretax gain. Bought 190T sh. '83 @ \$14.52 & 52T @ \$18.52 in Sept. Q. Results: Sept. 9 mo. \$2.48, v. 78¢. Shs. for recovery & buybacks below \$22.74 book.

C-FMI FINANCIAL: (FMIF-OTC). Gr.7-Mtg. Banker/-Fin. Former REIT, now holding co. w/ telecommunications, real estate, insur. Spun off sub. in 1984 to operate cellular radio-phones. Controls Mid-Continent Casualty, Tulsa, and bought 10% stake in Orion Capital, insurance holding co. Controlled by Carl Lindner. For fincl. services.

B-FOREST CITY-A#: (FCE.A-ASE). Gr.6-Income Prop. Retail homeowner products; Blds. 1-family & apts. incl. subsidized apts. (projects sold or held); owns income props. in major realty sub. Good value creator, expanding nationally w/ urban projects in Cleve., Los Angeles, Brooklyn, Alexandria, Va. Has two stock classes. Results: Oct. 9 mo. gross cash flow \$2.20/sh., up 1%. Buy L-T. (RSR 8/24 & 10/19/84).

E-FRASER RLTY GR: (FRAS-OTC). Gr.7-Mtg. Fin. Assets: Former mtg. trust caught by rate squeeze: 60% of loans fixed rate w/ negative leverage. Loans 36% firsts on completed props., 64% seconds & wraps (incl. 29% land devel.). Insiders own 43.6%; Now corp. for flexibility, taxloss use.

C-GREAT AMER M&I: (GAMI-OTC) Gr.7-Mtg. Banker/-Finc. Former REIT has acq. Fla. syndicator and Fla. S&L, begun money mgmt.; Assets 18% oper. props., 74% mtgs. Entities of Sam Zell, Chicago, own 65%. Acquired control of Commodore Cp., mobile home maker, 1/85, & Kaiser Alum. agricl chemicals 3/85. Results: Oct. Q d10¢, v. 28¢. Spec.

B-GRUBB & ELLIS: (GBE-NYSE) Gr.9-Rlty. Serv/Synd. Major U.S. real estate broker/prop. mgr., expanding from W. Coast base; Acquired Henry Miller Co., Dallas for 6M shs. 8/84, to make 3rd largest US rlty. service co. w/ 101 offices. Mainly comc'l. broker; manages \$300M props., incl. \$60M for pension funds. Begins 8¢ ann. div. 1/85. To sponsor new partic. mtg. REIT. Results: Dec. FY EPS 81¢, up 23%. See \$1 '85. Buy for above-avg. growth. (RSR 5/11/84)

B-HALLWOOD GROUP: (HWG-NYSE). Gr.8-Diver. Rlty/Hldg. New property/invest. banking co. combining Atlantic Metro & UMET Props. 4/84. New pres. to speed prop. sales, improve returns; 47.5% owned Interallianz Hallwood NV, Zurich, restructured troubled Saxon Oil 12/84 & seeks similar deals. Results: Oct. Q 1¢; Street sees 17¢-pretax FY'85. Pfd. & com. aggressive L-T buys. (RSR 5/25; 10/19 & 12/21/84)

C-HAMMOND CO: (THCO-OTC). Gr.7-Mtg. banker. Fast growing Calif. mtg. banker, originated \$198M loans (most conventional homes) in Dec. 9 mo., level; first mtg. banker to pool home loans from home-builders; Services \$561M loans. Results: Dec. 9 mo. EPS 3¢, off 95¢ on lower volume. Shs. aggressive recovery buy. (RSR 7/27/84)

D-INDIANA FNCL INV: (IFII-OTC) Gr.6-Income Prop. Bldr/Owner. Now corp. emphasizing equities & selling former REIT assets: Props foreclosures (mainly land) and land/leasebacks. Refinanced bank debt 12/84 w/ lower rates; Results: Dec. 6 mo. EPS 11¢, off 69%. Clyde Engle entities own 50% & propose merger w/ Wisconsin REIT.

C-INTEGRATED RES: (IRE-NYSE) Gr.9-Rlty Serv/-Synd. Major publicly owned real estate syndicator; Syndication sales incl. oil, gas & equipment leasing generate about 80% of oper. income; insurance 20%. Sponsors 2 REITs (see Resources Pension Shs.). Swapped new debts. for some pfd. 7/84; Agrees 2/85 to buy mtg. banker w/ \$6B servicing for \$108M. Results: Sept. 9 mo. \$1.13 after pfd. divs., down 42%; Dec. Q seen strong & '84 est. \$2.65. Shs. hurt by tax law cloud. (RSR 7/13/84)

C-JOHNSTOWN AMER: (JOAM-OTC) Gr.9-Rlty Serv/-Synd. Property mgmt. co., acquired Hamilton REIT & buying local prop. mgmt. cos.; Co. manages approx. 100,000 apts./condos, incl. 48,000 for Consol. Capital & others. Raised \$35M 2/85 via debenture sale for more acquisitions. Results: Nov. Q EPS 16¢, up 33%; Now has 2 stk. classes. Shs. for evolving rlty. serv.

B-KAUFMAN & BROAD: (KB-NYSE) Gr.8-Divers. Rlty/Hldg. In life insur. thru Sun Life. Housing: on-site Calif. & France; mfg.hsg. w/ 11 plants (7,479 DU '83, up 56%). Aug. 9 mon. on-site hsg. sales up 40% on 5% gain in unit deliveries to 1,433; Backlog off 17% to 561 DU. Mtg. banking tripling offices. Results: Nov. FY oper. EPS \$2.47, up 82%. Shs. L-T hsg. buy. (RSR 3/23/84)

A-KOGER CO. #: (KGR-ASE) Gr.6-Income Prop. Bldr/Owner. Owns & manages Sunbelt office parks spun off by Koger Propers. Has preferred rights to buy add'l office bldgs from Koger Props.; owns 145 bldgs w/3.8M SF, over 95% leased. Raised \$39M 1/85 selling 1.55M sh. at \$25.25. Outside appr. set value \$23.01/sh. 12/84. Quality shs. for L-T appreciation & yield. (RSR 4/13/84)

A-KOGER PROPS#: (KOG-NYSE) Gr.6-Income Prop. Bldr/Owner. Develops & manages low-rise suburban Sunbelt office parks (50 bldg. w/1.8M SF + 507T SF in constr.), periodically sold to Koger Co. or Koger Partnership. Will enter 10 new cities next few yrs. w/ Morgan Guar. pension plans funding; KOG to get 10% bldg.-leasing fee + 50% ownership. Raised \$33M 2/85 selling 1.2M sh. at \$27.50. Results: Dec. 9 mo. CFS from rents 99¢, up 14%. Shs. Sunbelt off. devel. play.

C-LANDMARK LAND: (LML-ASE) Gr.8-Divers. Rlty/Hldg. Develops luxury golf-communities incl. Oak Tree, Edmond, OK; Carmel Valley (CA) Ranch; Selling LaQuinta Hotel, & 1,050 ac. in Palm Sprgs. area, CA. Acquired Dixie S&L, LA, 10/82; tangible book val. net of \$15.93/sh. intangibles. Results: Sept. 9 mo. EPS d47¢, v. 90¢, mainly on higher rates, slower rlty. sales, 24¢ loss prov. Shs. land & fincl. serv. buy. (RSR 5/11/84)

***-LOAN AMERICA:** (LAF-OTC) Gr.7-Mtg. Banker/Fin. Mtg. banker spun off 12/84 from Citizens Savings Fincl. Corp.; operates 10 loan offices in SE, generating mainly fixed-rate conventional loans. Services \$1.65B loans; shs. 43% owned by mgmt. Results: Sept. 9 mo. EPS 36¢, down 54%. RSR est. mtg. servicing worth about \$21/sh. over \$6.09 book value; Shs. have speculative upside.

A-LOMAS & NET FIN: (LNF-NYSE) Gr.7-Mtg. Banker-Finc. Largest U.S. mtg. banker w/ revs. about 64% mtg banking, 13% inter./invest. Most mtgs. one-family, FHA/VA; heavy Tex., Ill., & Calif. Services near \$20B portfolio. Manages Advance Mtg. w/option to buy; Entered computer software. Results: Dec. 6 mo. EPS \$1.15 diluted, up 15%; loan originations off 32%. Shs. emerging fincl serv. buy (RSR 10/5/84).

C-MIW INV WASH: (MINVS-OTC) Gr.8-Divers. Rlty. General Investment Mgmt. (Neth.) controls. Selling old REIT assets, redeploying capital into Wash. DC realty. Active in Crofton resid. tract & has land for 600T SF office/resid. complex at Alexandria, Va. Metro stop; Acquired First Amer. S&L 9/84. Results: Dec. FY oper. EPS 50¢, up 72%, + 40¢ extra credit. For recovery.

***-NEWHALL INV. PROP#:** (NIP-NYSE) Gr.6-Income Prop. Bldr/Owner. NIP formed 3/83 by spin-off of oper. props. of Newhall Land (all in Valencia 30 mi. N of Los Angeles) into partnership w/tradable limited partner interests (LPS). Owns 51 props., all leased save one. Results: Dec. FY oper. CFS \$4.91/unit incl. \$2.89 prop. sale gains; Oper. EPS 94¢/unit plus \$2.89 sale gains. Paying 80¢/unit ann. rate + \$4.00 spcl. For yld.

B-NEWHALL LAND: (NHL-NYSE) Gr.8-Divers. Rlty/Hldg. Engages in farming; & resid. & comcl development & land sales. In 3/83 spun off oil-gas (Newhl. Resources) & comcl props. (Newhl. Investment Props.) to NYSE-listed partnerships; Converted to partnership 1/85 to save taxes, will pay \$9.50 div. by 4/86. Results: Dec. 10 mo. (new yr.) EPS \$1.62 incl. 53¢ land sale, up 16%. Shs. conversion play. (RSR 7/27 & 9/21/84)

C-PEARCE URSTADT: (PUM-ASE) Gr.9-Rlty. Serv/Synd. Controlled by PM&G Holding Co.; now natl. mtg. banker & broker after acq. Hanover Sq. Rl. Mtg.

loans (\$7.1M face) give stable interest income while fee & commissions vary (up 37% in FY'84). Results: Aug. FY EPS 67¢ diluted, v. loss, + 80¢ taxlosses. OKs buying 200T sh. in mkt., could lead to ASE delisting.

***-PERINI INVEST PROP:** (PNV-ASE) Gr.6-Income Prop. Owner. New entity spun off 5/84 from Perini Corp.; owns 44% of 453T SF Alcoa Bldg., S.F. & adjoining 1,196 DU Golden Gateway Apts. (rent controlled); + 4 Mass. industr./warehouses. Bought 161T SF Calif. office; to bld. Tucson hotel. Sold \$15M pfd. 1/85. Results: Dec. FY oper. CFS 69¢, v. pro forma 56¢. No div. expected till late '85. Pro forma current value \$16.78. (RSR 4/27/84 & 2/22/85)

***-READING CO:** (RDGC-OTC) Gr.6-Income Prop. Bldr/Owner. Former railroad, emerged from bankruptcy as owner of major downtown Phil. site & is bldg. in 80% owned jt. venture 575T SF, 32 str. Reading Ctr.; Renovating 3 adjoining historic bldg. Has proposed convention ctr.-hotel complex in area, subject to city OK. Taxlosses \$51.28 sh. Results: Dec. FY oper. EPS \$1.13 on syndication profits, up 131%. Shs. aggres. speculation.

C-REALAMERICA CO: (RACOS-OTC) Gr.6-Income Prop. Bldr/Owner. Former REIT controlled by: Gaetan Carnot, Geneva, 12.4%; Niwin Copr., Kuwait, 20.8%, after 7/82 sale of 2.5M sh. @ \$4. Sold NYC apt. 8/83 for deferred profit; Bought 85% of 306T SF Albuquerque office 11/83. Results: Aug. 9 mo. loss 17¢/sh. v. d9¢/sh. Shs. for recovery.

A-ROUSE CO#: (ROUS-OTC) Gr.6-Income Prop. Bldr/Owner. Major U.S. shop. ctr. developer-owner; operates 63 ctrs. (34 owned) w/ 38M SF; Sold mtg. banker sub. 9/84. Stressing urban projects: Harborplace, Balt.; South St. Seaport, NYC (opened 7/83); Gallery II, Phil. Results: Dec. FY oper. CFS \$2.05, up 15%. Sold mtg. sub. 9/84 for \$2.09 gains. Appr. value \$47.75/sh. 12/84, up 19%. Trizec (Can.) owns 20%. Buy L-T. (RSR 3/8/85)

B-SANTA FE SO PAC: (SFX-NYSE) Gr.8-Diver. Major asset/resource co. formed by merger of two Western railroads at corporate level (RR operations need ICC OK); Combined roads own 50,000 ac. comcl/indust. land; 3.6M SF completed office/indust. props.; will develop 208-ac. Mission Bay tract in downtown San Francisco incl. 7,577 DU, 4.1M SF offices, 2.6M SF indust. Rlty. generated 37% of oper. income '84 on 40% income gain. Results: 1984 oper. EPS \$2.61, up 47%. Buying shares; Shs. for L-T gains w/ volatility. (RSR 3/8/85)

C-SAUL (BF) REIT: (BFS-NYSE) Gr.6-Income Prop. Bldr/Owner. Assets half shop. ctrs., rest apts., condos & land. Strategy: sell apts. & improve land. Bldg. new offices in Atlanta; Results: Dec. Q oper. CFS d11¢, v. income, + 72¢ loss benefits & sale gains. Appr. value \$23.15 9/84. Adviser owns 56% & co. buying own stk. Buyout possible. (RSR 2/22/85).

B-SECURITY CAPITAL: (SCC-ASE) Gr.7-Mtg. Banker-Finc. Fincl. serv. holding co. for former REIT, bought Houston S&L & Ft. Worth mtg. banker; deals created \$13.49/sh. intangibles, deducted from book value. Bought adviser 3/84 & retired 14% of shs. Results: Dec. Q EPS 25¢, off 4%, + 18¢ taxloss gains. Shs. evolving fincl. services buy. (RSR 3/8/85)

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B-SOUTHLAND FINCL: (SFIN-OTC). Gr.6-Income Prop. Major Dallas income prop. owner & developer of Las Colinas commun. near Texas Stadium. Sold life insur. sub. 1/84 to stress prop. development. Debt incl. \$120M bank debt, likely to be retired w/ final \$77 life co. sale proceeds 1/85. Results: Dec. FY oper. EPS loss 91¢, v. d60¢, + \$1.33 sale gain. Bid to go private off for now. Shs. L-T patient buy for asset buildup. (RSR 11/2/84)

B-SOUTHWEST RLTY#: (SSRPZ-OTC) Gr.6-Income Prop. Bldr/Owner. Formed 1/83 via roll-up of limited partner interests (LPs) in 25 partnerships formed by Schneider & Sherman, Dallas, into one partnership. New LPs trade via depositary receipts. Owns 3,824 net apts., most Texas. Pays \$1.32, tax sheltered. Appr. value est. \$21.12 6/84. Results: Sept. 9 mo. oper. CFS 67¢, off 4%. Units buy for yld. & gains. (RSR 4/27/84, 7/27 & 12/21/84)

B-SUNLITE INC: (SNLT-OTC) Group 8-Divers. Rlty/Hldg. Former REIT, merged w/Sunlite Oil of Del. 9/83. Now has oil/gas exploration & production, + earning mtgs. & land, incl. major office/hotel site in downtown Atlanta. Very liquid. NYC investors Reed Rubin/Lee Balter own 21%. Results: Dec. 6 mo. EPS d6¢; Shs. for recovery & taxloss use.

C-SUNSTATES CORP (new): (SUST-OTC). Gr.6-Income Prop. New co. from merger of Sunstates Corp. and TRECO, Inc.; Will bld. income props. & resid. hsg. in Southeast, Fla. Approx. new capitalization: 600T sh. common; 70T sh. of \$100 value, 15% preferred; 43.5T sh. Cl.B; & 589T sh. Cl.A pfd. Audit affil. advised old Sunstates.

C-TIERCO GROUP: (TIER-OTC) Gr.6-Income Prop. Bldr/Owner. Former REIT, most assets Okla. & Tex.; heavy office. Bldg. office/condos in downtown Okla. City & heavy interest hurting. Owns 50% of 139-acre resid. tract in Okla. City w/ 203-lots ready soon; Tulsa shop. ctr. 84% leased. Drexel Burnham group invested \$15M 11/84 & took control. In 2/85 bought 1.05M (or 26%) of FPA Corp. w/ option for similar amt. Results: Sept. 9 mo. d37¢ v. dll¢. (RSR 5/11/84)

B-TRANSAMER RLTY: (TAR-NYSE) Gr.6-Income Prop. Bldr/Owner. Former REIT, now active realty devel. w/ units of Transamerica Corp., adviser & 39% sh. owner. Mexican tract writedowns hurt EPS. Prop. sale gains aid EPS. Results: Nov. FY EPS \$1.49 incl. \$1.18¢ property sale gain & 51¢ taxlosses, v. loss. Shs. recovery play. (RSR 2/10/84)

C-TRI-SOUTH INV: (TSI-NYSE) Gr.7-Mtg. Banker/-Finc. Assets half recreational land & devel., half apt./condo end-loan; 2/3 Ga. & Tex. Deltec Secur. owns 35% & has 2 board seats; standstill pact ended. Sold Texas resort for cash 9/84. Results: Dec. FY EPS 96¢, up 5%; Liquidity high. Agrees to merge for 1.18 sh. Avalon Energy; hold for now. (RSR 5/25, 7/27 & 11/16/84)

B-UNICORP AMER: (UAC-ASE) Gr.6-Income Prop. Bldr/Owner. Merged holding co. combining equity REIT & U.S. sub. of Unicorp Canada, Toronto (Geo. Mann); Acquired REIT of Amer. Inc. 12/84 for new pfd.; In 1/85 sold several major REI props. giving combined UAC \$22M gains; Other acquisitions: acquired Institutional Inv. 2/84; bought 12% of City Federal S&L, N.J. 7/84. Results: 1984 FY EPS 5¢, v. loss. Shs. for aggressive gains.

C-US MUTUAL FINCL: (USMR-OTC) Gr.7-Mtg. Banker-Finc. Former REIT converted to S&L holding company 8/83 by acquiring Ann Arbor, MI S&L + mtg. banking operations of former adviser. New co. has 20-offices capable of originating \$160M mtgs. yearly. Results: Sept. 9 mo. EPS 13¢, v. d61¢ as REIT. Ended cash div. 12/84, pd. 3% stock, under agmt. w/ S&L authorities to strengthen operations. Shs. for recovery.

C-US SHELTER: (USSS-OTC) Gr.9-Rlty. Serv/Synd. New entity, result of S.C. syndicator & prop. mgr. acquiring Am. Fletcher Mtg. + apts. Main activities: constr./devel., 48% revenue; prop. mgmt., 14%; syndication 10%. Closed \$42M syndication 10/84 but others delayed to '85; bldg. retirement commun. Acquired Amreal, comcl. prop. mgr. Results: Dec. FY EPS 7¢, off 77%. Bought 481T sh. at \$6.53 thru Sept. Hold in tax/rate uncertainty.

***-VAN SCHAACK & CO:** (VANS-OTC) Gr.9-Rlty. Serv/-Synd. Largest realty brokerage in Denver & Rocky Mt. area, mainly residential brokerage; also in mtg. brokerage & insurance. Results: Dec. FY EPS 24¢, off 73%. ICH Corp., Louisville insurance co., sold 52% stake to three Denver rlty. men 2/85. Shs. recovery hold.

C-WEBB (DEL E) CP: (WBB-NYSE) Gr.8-Divers. Rlty/Hldg. Owns hotel/leisure props. incl. 3 Nevada hotel/casinos; develops Sun City West (Phoenix) adult commty; gen'l contracting; Bought minority int. in Sun City West; Sold Claridge Hotel, Atl. City to aid liquidity; Results: Dec. FY EPS \$1.64, up 102%. Shs. for more recovery. (RSR 6/22/84)

RANKINGS from "A" to "E" shown above before name are explained on bottom of page 8.

ABBREVIATIONS: B = Billions; M = Millions; T = Thousands; EPS = Earnings per share; CFS = Net cash flow per share; SF = Square Feet; DU = dwelling units or hotel rooms; FY = fiscal year; RV = Recreational vehicle; L-T = Long term; S-T = Short term; Q or Qtr. = Quarter; Div. = Dividend; Shs. = Shares; Gr. = Industry group of main business activity. Appr. = Appraised current value; blds. or bldg. = builds or building. cld = could. convt. = convertible. d = deficit. debts. = debentures. mngs. or mgmt. = manages or management. port. = portfolio. spec. = speculation or speculative. sub. = subsidiary. w/ = with.

RSR dates in parentheses at end of reviews refer to fuller comments in prior RSR issues.

Additions

Abrams Indust. Walt Disney Santa Fe SP
Congress St. Prop. Loan America

Deletions & Omissions

Dominion Mtg. Sunstates(old) Thackeray Corp.
Novus Props. Treco (old) Wisconsin REIT
South Atlantic Triton Group

ADVISE		EXCH/		SHARE		BOOK		ANN		-EARNINGS-		LAST		-----BALANCE SHEET ITEMS (MILLION DOLLARS)-----					
ST	LT	RANK	SYMBOL GROUP		(000)	VALUE	DIV	MON	12 MO	PRICE	REPORT	TOTAL	SHEET	TOTAL	DEPR-	LOSS	LEVERAGE		
INCOME PROPERTY BUILDERS/OWNERS																			
H	H	C	AMER REALTY	AS-ARE	6	3506	7.18	0.00	DEC	2.01	7.00	9/84	38.542	25.169	10.410	8.361	0.000		
B	B	B	BAY FINCL CORP	NY-BAY	6	3101	18.56\$	0.20	NOV	1.27	22.38	11/84	200.911	57.559	133.758	8.252	3.250		
H	B	D	BRITISH LAND AM	NY-BLA	6	3189	4.02	0.00	DEC	0.09	4.50	9/84	67.490	12.821	42.628	0.779	1.921		
H	B	B	FOREST CITY-A #	AS-FCE.A	6	4049	17.67	0.15	OCT	1.72	22.13	10/84	313.716	65.390	100.496	75.062	0.000		
H	B	B	FOREST CITY-B #	AS-FCE.B	6	3899	17.67	0.09	OCT	1.72	22.00	10/84	313.716	65.390	100.490	75.062	0.000		
-	H	D	INDIANA FCL INV	OC-IFII	6	1074	8.00	0.00	DEC	0.80	4.63	12/84	10.983	8.590	2.200	0.271	2.283		
B	B	A	KOGLER CO	AS-KGR	6	9243	12.21\$	2.32	DEC	1.45	26.50	12/PF	150.422	41.918	117.205	70.922	0.000		
H	B	A	KOGER PROPS	NY-KOG	6	7817	6.74	2.30	DEC	1.46	27.50	12/PF	206.002	41.035	125.637	11.685	0.000		
-	-	*	NEWMALL INV PRS	NY-NIP	6	4440	60.62\$	1.00	SEP	2.85	15.25	9/84	21.780	20.539	0.000	8.834	0.000		
-	-	*	PERINI INV PR #	AS-PNV	6	3293	-2.17\$	0.00	DEC	0.69	12.63	9/84	10.489	-7.490	0.000	0.330	0.000		
-	-	C	Y READING CO	OC-RDGC	6	3392	8.96	0.00	DEC	1.13	21.50	9/84	69.055	30.417	21.624	6.198	0.000		
-	-	C	REALAMERICA CO	OC-RACO	6	3600	3.33	0.00	AUG	-0.32	3.50	8/84	40.355	11.985	24.656	1.165	0.840		
H	B	A	ROUSE CO	OC-ROUS	6	15254	12.77\$	1.08	SEP	1.89	41.00	9/84	775.887	90.270	577.635	104.453	0.000		
B	D	C	SAUL (BF) REIT	NY-BFS	6	5667	4.12\$	0.20	DEC	-0.54	17.00	9/84	306.701	23.327	260.249	36.696	0.000		
-	-	D	SO ATLANTIC FIN	OC-SOAF	6	2973	1.76	0.00	SEP	-1.14	3.00	9/84	13.617	5.246	8.000	0.000	3.370		
-	H/S	B	SOUTHLAND FINCL	OC-SFIN	6	16701	14.14	0.52	DEC	0.41	28.88	9/84	858.512	236.211	503.822	0.000	0.000		
-	B	B	SOUTHWEST RLTY#	OC-SSRPZ	6	3442	7.90\$	1.32	SEP	1.09	12.50X	9/84	51.270	6.969	41.008	20.226	0.000		
-	H	C	TIERCO GP INC	OC-TIER	6	2101	10.46	0.00	SEP	-0.38	8.00	9/84	30.009	21.979	6.974	2.092	0.000		
H	H	B	TRANSAMER RLTY	NY-TAR	6	2841	13.82	1.00	NOV	1.49	12.25	8/84	46.747	39.261	2.582	5.251	1.210		
Z	Z	Z	UNICORP AMER	AS-UAC	6	110659	0.52\$	0.00	DEC	0.05	0.75	12/84	235.989	57.487	157.668	10.836	0.000		
MORTGAGE BANKER, FINANCE																			
H	B	C	AMER CENTURY CP	NY-ACT	7	3396	6.60	0.00	DEC	0.76	9.00	9/84	808.358	31.979	117.178	0.000	0.000		
-	-	C	BAYSWATER RLTY	OC-BAYS	7	871	9.39	2.50	JUL	0.65	3.75	10/83	25.733	21.023	2.472	0.813	2.075		
H	H	C	BERG ENTERPRISES	NY-BRG	7	4769	5.37	0.00	DEC	1.64	22.75	9/84	152.952	25.656	112.389	2.375	0.000		
-	-	C	BROKERS MTC SVC	OC-BMTG	7	3850	3.83	0.00	OCT	0.20	11.00	10/84	202.334	14.762	180.282	0.000	0.000		
H	B	B	COUNTRYWIDE CR	AS-CCR	7	7433	3.61	0.07	NOV	0.41	7.25	11/84	194.545	26.855	99.344	0.000	0.000		
S/H	H	C	FED NATL MTG	NY-FNM	7	65837	16.91	0.16	DEC	-0.87	16.13	12/84	88358.800	1113.077	83738.300	0.000	110.152		
-	-	C	FMI FINANCIAL	OC-FMIF	7	12546	3.77	0.02	SEP	0.44	6.38	9/84	291.012	47.318	157.384	0.000	3.481		
-	-	E	FRASER RLTY GRP	OC-FRAS	7	1038	10.35	0.00	MAY	-2.12	4.50	5/84	44.410	10.745	29.910	0.000	1.000		
H	H	C	GREAT AMER M&I	OC-GAMI	7	6795	14.65	0.00	OCT	0.14	14.25	10/84	273.707	99.594	102.904	5.557	0.000		
-	-	C	HAREMOND CO	OC-HICO	7	2083	4.49	0.00	DEC	0.20	5.75	12/84	18.835	9.377	6.657	0.000	0.000		
-	-	*	LOAN AMER FNCL	OC-LAFC	7	1554	6.09	0.00	SEP	0.81	11.50	9/PF	45.635	9.466	19.300	0.000	0.000		
B	B	A	LOMAS & NET FIN	NY-LNF	7	14584	6.03	1.16	DEC	2.57	29.00	12/84	1024.030	87.965	791.701	0.000	3.465		
H	B	B	SECURITY CAPITL	AS-SCC	7	6147	-9.35	0.16	DEC	1.75	14.50	9/84	1709.500	-57.499	165.233	2.604	2.763		
H/B	B	C	TRI-SOUTH INV	NY-TSI	7	6716	9.00	0.00	DEC	0.96	5.88	9/84	66.145	57.425	6.365	2.278	1.000		
-	-	C	US MUTUAL FINCL	OC-USMR	7	4359	4.38	0.00	SEP	-0.05	2.50	6/84	311.235	19.102	119.049	0.000	0.000		
DIVERSIFIED REALTY & HOLDING COMPANIES																			
-	-	C	ABRAMS INDUS INC	OC-ABRI	8	1800	7.93	0.24	JAN	0.63	6.50	4/84	42.692	14.183	18.342	5.400	0.000		
H	H	C	AMER CONTNL	OC-AMOC	8	12938	-4.36	0.00	DEC	0.92	8.00	12/84	3301.910	-56.391	1468.510	0.000	0.000		
-	-	C	CARLSBERG CORP	OC-CRLS	8	4560	9.77\$	0.00	NOV	0.41	7.75	11/84	137.751	44.568	70.373	0.000	0.000		
-	-	C	CITIZENS GROWTH	OC-CITGS	8	554	14.99	0.48	OCT	3.76	17.75	10/84	10.959	8.302	2.336	0.000	0.748		
-	-	*	CONGRESS ST PRP	OC-CSTP	8	1249	11.11	0.00	NOV	0.98	11.25	11/84	17.892	13.875	3.029	0.000	0.147		
H	B	B	COUSINS PROPS	OC-COUS	8	8073	6.77	0.32	SEP	4.53	23.50	9/84	130.719	57.421	25.750	1.016	0.000		
H	H	E	DANAHER CORP	NY-DHR	8	10192	3.30	0.00	DEC	0.35	7.75	9/84	214.077	33.731	130.037	4.679	10.422		
B	-	B	DISNEY (WALT)	NY-DIS	8	33019	34.37	1.20	DEC	1.22	76.25X	12/84	2823.570	1134.903	971.026	621.571	0.000		
-	-	B	FIRST CARO INV	OC-FCARS	8	885	22.74	0.50	SEP	3.01	19.38	9/84	27.123	20.309	3.746	0.067	0.000		
B	B	B	HALLWOOD GROUP	NY-HWG	8	34680	1.21	0.08	OCT	0.03	1.38	10/84	111.087	42.024	63.225	4.058	1.064		
H	B	B	KAUFMAN & BROAD	NY-KB	8	11039	13.56	0.40	NOV	2.97	18.00	8/84	1248.690	150.339	308.971	0.000	0.000		
B	B	C	LANDMARK LAND	AS-LML	8	7916	-9.09	0.32	SEP	-0.07	17.63	9/84	1134.290	-71.934	269.191	14.203	0.000		
-	B	C	MIW INV WASH	OC-MIWS	8	3786	5.43	0.00	DEC	0.90	6.75	9/84	43.232	20.546	22.846	0.535	0.217		
H/B	H/B	B	NEWMALL LAND	NY-NHL	8	9004	11.59	0.64	DEC	1.62	45.25	11/84	160.146	104.373	20.071	28.534	0.000		
-	B	B	SANTA FE SO PAC	NY-SFP	8	181108	31.85	1.00	DEC	2.61	27.13	12/84	11648.700	5768.500	1868.700	###.###	0.000		
B	B	B	SOUTHMARK CORP	NY-SM	8	34895	10.58	0.20	DEC	1.68	7.63	12/84	1285.330	369.180	816.527	10.029	17.336		
-	B	B	SUNLITE INC	OC-SNLT	8	4253	5.05	0.00	DEC	0.08	4.00	12/84	23.082	21.521	0.762	1.015	1.423		
H	H	C	THACKERAY CORP	NY-THK	8	5107	-1.26	0.00	SEP	-0.15	8.88	9/84	77.185	-6.454	52.831	0.000	1.600		
B	B	C	WEBB (DEL E) CP	NY-WBB	8	7713	14.20	0.20	DEC	1.64	21.00	9/84	378.724	109.592	129.299	63.610	0.000		
REALTY SERVICES, SYNDICATORS																			
H	H	C	ANGELES CORP	AS-ANG	9	3275	2.52	0.00	DEC	-0.35	6.50	9/84	114.421	7.448	90.936	0.000	0.000		
B	H	A	EQUITEC FNCL GP	NY-EFG	9	5218	-0.24	0.12	JAN	1.44	12.00	10/84	78.922	-1.282	45.972	1.915	0.000		
-	B	B	GRUBB & ELLIS	NY-GBE	9	13727	2.70	0.04	DEC	0.81	10.88	9/84	107.937	37.038	35.724	0.000	0.000		
H/B	H/B	C	INTEGRATED RES	NY-IRE	9	6027	13.11	0.00	SEP	2.62	17.25	9/84	986.780	79.042	726.092	0.000	0.000		
-	B	B	JOHNSTOWN AMER	AS-JAC	9	11008	1.96	0.30	NOV	0.66	10.63	11/PF	73.472	21.602	36.411	0.863	0.000		
H/B	B	C	PEARCE URSTDT-A	AS-PUM	9	710	13.41	0.12	NOV	1.23	3.25	11/84	16.284	11.043	2.693	0.088	0.228		
Z	Z	Z	US SHELTER CORP	OC-USSS	9	9745	3.14	0.12	DEC	0.07	4.63	9/84	172.732	30.605	126.191	0.000	0.000		
-	-	*	VAN SCHAACK & CO	OC-VANS	9	1397	11.93	0.15	DEC	0.24	9.50	9/84	81.592	16.673	61.171	0.000	0.000		
ENTITIES IN LIQUIDATION																			
-	-	L	ALA MOANA HI PR	NY-ALA	11	16729	1.11	2.50	SEP	0.56	1.75	9/84	19.100	18.632	0.000	4.400	0.000		
-	-	L	CANAL RANDOLPH	NY-CRI	11	1547	5.25	13.00	JUL	54.15	12.00	7/84	44.024	8.126	25.566	8.621	0.000		

REALTY STOCK RANKINGS

REALTY STOCK REVIEW has developed its exclusive Rankings of real estate stocks to indicate relative quality of historic track record for investors. Rankings from "A" to "E", shown in the third column from left in the statistical tables above, are assigned based upon our analysis of five-year earnings and dividend trends, financial strength and liquidity, and management record. Being historical, Rankings are not based upon current price and thus are not intended as recommendations.

An asterisk (*) denotes stocks which cannot be ranked because of insufficient (generally less than two years) operating history in present form or incomplete data. (Z) denotes entities which currently retain Audit or its investment banking affiliate, Campbell & Dillmeier, for specific assignments; and entities for which we are acting as non-retainer intermediary for a publicly announced proposed transaction during the transaction's pendency. (L) denotes liquidating entities, which are not ranked. Rankings and Buy-Sell-Hold advices given without regard to whether the entity subscribes to RSR. Stock prices of REITs tend to be less volatile than stocks of operating companies, hence generally are better suited for longer-term.

BUY - SELL - HOLD ADVICES

Buy - Sell - Hold advices are summarized in the first two left-hand columns in the statistical tables, as "B" = Buy; "H" = Hold; "S" = Sell or Avoid. When two advices are combined (eg, "B/H"), accent is upon the first advice. Advices are reviewed each issue and advice changes are underlined. Advices are classed as Short-Term ("S/T") for holding less than one year; and Long-Term ("L/T") for one to three years. No advices are given during pendency of a proposed equity-type security offering, or during pendency of an assignment involving Audit or its investment banking affiliate (see "Z" left). Advices are given for most widely held and active stocks, but we cannot advise at all times on thinner, less active stocks. No advices are given for convertibles, warrants or preferreds, which depend upon underlying common.

Advices are solely the responsibility of the publisher and may be changed at any time. The publisher cannot, by law, guarantee profitability of any advices given, but exercises diligence to monitor advices at publication. Since many realty stocks have relatively thin trading markets, investors generally find it advisable to place orders with limits.

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